

STATE OF NORTH CAROLINA
DEPARTMENT OF STATE TREASURER

Richard H. Moore
State Treasurer

Administrative Services Division
Escheat and Unclaimed Property Program

Kenneth C. Wilkins
Deputy Treasurer

MEMORANDUM

June 28, 2001

TO: **Courts, Governments, Governmental Subdivisions, Agencies, or Instrumentalities**

(NOTE: If you are a Non-Governmental (State or Local) unit, division, agency, etc., you have received this reporting package in error. Governmental units, divisions, agencies, etc. have a different dormancy holding period than Non-Governmental. Please contact our office so that we may provide you with the proper reporting package.)

FROM: North Carolina Department of State Treasurer, Escheat and Unclaimed Property Program

SUBJECT: Annual Reporting Forms for Filing Escheat and Unclaimed Property

Please find enclosed Forms ASD-21 and ASD-159G for your use in reporting escheat and unclaimed property. In accordance with North Carolina General Statute 116B-60(d), the deadline for filing reporting forms and any remittance due is November 1, 2001. This is for all property that has reached its custodial period as of June 30, 2001, and where the owners could not be located.

Amounts owed to an individual under \$50.00 may be "lumped together" and reported as aggregate without listing the individual owner's name and address on the ASD-21. (To assist in refunds, please enclose a detail listing of aggregate amounts for our files.) The aggregate amounts should be grouped by property code and listed in the "last" name field as "Aggregate." **Unknown owners should also be included as aggregate.** The only exception to listing in the aggregate pertains to intangible earnings and capital gains (i.e. dividends) from securities and mutual funds. These accounts should be listed by owner name regardless of the amount of unclaimed money reported.

Dormancy Period

The 1999 Session of the North Carolina General Assembly enacted legislation that changed the dormancy holding for some types of property. **Per North Carolina Statute 116B-53(c)(12), the dormancy holding period for Courts, Governments, Governmental Subdivisions, Agencies, or Instrumentalities has been reduced to 1-year.** Please refer to the **NEW** dormancy periods listed on the back of the ASD-159G – Report of Unclaimed Property Verification and Checklist. Enclosed is a **Memorandum and Report Conversion Table** to assist you with this "catch-up" report.

Due Diligence

The law provides that a holder of property presumed abandoned shall make a good faith effort to locate an apparent owner. Per North Carolina General Statute 116B-59, the holder shall send written notice, by first-class mail, to the apparent owner, not more than 120 days or less than 60 days before filing the report, to the last known address of the apparent owner as reflected in the holder's records, if the value of the property is fifty dollars (\$50.00) or more. Note: Amounts under \$50.00 must still be reported but a notice to the owner is not required.

Reciprocal Agreements

In an effort to assist holders of escheat and unclaimed property with the reporting requirements of other states, our office has reciprocal agreements with the District of Columbia and the following states:

Alaska	Illinois	Massachusetts	Ohio	Virginia
Arkansas	Indiana	Minnesota	Oklahoma	Washington
California	Kentucky	Missouri	Rhode Island	Wisconsin
Colorado	Louisiana	Nebraska	South Dakota	Wyoming
Florida	Maine	Nevada	Tennessee	
Idaho	Maryland	North Dakota	Utah	

North Carolina holders must file reports of escheat and unclaimed property to the state of the owner's last known address; or in the case of the referenced reciprocal states, the report and remittance may be filed with this office and, we in turn will file the report and the remittance to the proper state. **In a situation where the owner's address is unknown, the report is filed in the state where the holder is incorporated.**

321 NORTH SALISBURY STREET, RALEIGH, NORTH CAROLINA 27603-1185

Phone: (919) 715-1185 or (919) 508-5180 Fax: (919) 715-0229 Website: www.treasurer.state.nc.us

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Negative Reports

If you have nothing to report, the current law provides that it is no longer necessary to file a negative report. If you elect to file a negative report, an **ASD-NEG - Negative Report of Unclaimed Property** must be completed. Negative reports cannot be filed using the ASD-21. An ASD-NEG may be obtained from our website or by contacting our office.

Automated Reporting

Holdings with listings of over fifty (50) owners are requested to submit their report via diskette in the specified NAUPA standard electronic file format. The NAUPA format and electronic reports may be obtained at www.wagers.net/hrs/index.htm. A hard copy of your report must be included with your electronic filing for internal control purposes.

Securities Registration (Stocks and Bonds)

Securities must be registered under the name of Charlotte & Co., with Tax ID #16-1588773 (EXEMPT status), Account Number JA0014 and mailed to:

Fleet Bank – Fleet Center
159 East Main Street
Attention: Sheila Cage – 3rd Floor
Rochester, New York 14638

In addition to sending the securities directly to Fleet Bank, you must send an **ASD-215 - Report of Unclaimed Securities** to this office. Do not send the ASD-215 to the custodian. Information to be included on this form: owner name, last known address on holder's records, owner social security number, security issue name, ticker symbol, date certificate mailed to Fleet Bank, CUSIP number, certificate number and number of shares. An ASD-215 may be obtained from either our website or by contacting our office.

Mutual Fund Registration

Mutual Funds must be registered under the name of North Carolina State Treasurer – Escheat Fund, with TAX ID #56-1545517 (EXEMPT status), and mailed to the North Carolina State Treasurer – Escheat Fund, at the address on the bottom on this page. Mutual Funds are not mailed to our custodian bank.

Please include an **ASD-215 -Report of Unclaimed Securities** for mutual funds remitted to this office. This report should include the owner's name and address, social security number, specific fund issue name, CUSIP number, number of shares, account number, ticker symbol and the date the shares were deposited with the North Carolina State Treasurer – Escheat Fund. An ASD-215 may be obtained from our website or by contacting our office.

Penalties

North Carolina General Statute 116B-77 provides a \$1,000 penalty a day for refusing or failing to file a report plus an additional sum of 25% of the value of unreported property. In addition, if a report and remittance is delinquent, the law provides that interest at the rate of twelve percent (12%) per annum will be charged. Therefore, in order to avoid a penalty, it is imperative that you file (postmark) your annual Escheat and Unclaimed Property Report before November 1, 2001.

Records Retention

Names, addresses, and social security numbers of the owners must be included on the report form, if available. Some record retention periods have been found to be less than the abandonment periods. North Carolina General Statute 116B-73(a) requires that you maintain records containing the information required to be included in the report for 10 years after you file the report.

For Assistance

If you have any questions or if we may be of any assistance, please write to N.C. Department of State Treasurer – Escheat Fund, 325 N. Salisbury Street, Raleigh, NC 27603-1385 or call (919) 508-5979 or (919) 508-5180. Also, please visit our website for additional information, including Guides To Unclaimed Property and a copy of the law, at www.treasurer.state.nc.us.